

- (c) if so, the details thereof and the Government's viewpoint on it; and
- (d) whether it is a fact that there is a need to form landholding companies in the country?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA): (a) According to 59th Round (2002-03) of National Sample Survey Organisation (NSSO), small and marginal farmers constituted 84 per cent of all farmer households. Results of the survey further show that agriculture was not profitable for 27 per cent of the total number of farmer households.

(b) and (c) The Planning Commission has reviewed the situation in the Mid-Term Appraisal of Tenth Five Year Plan, released in June 2005. It has observed that there was deceleration in the growth of agriculture due to inadequate investment, weak extension services in the States, inadequate seed production, distribution and regulation. Failure to carry out essential reforms to conserve water and soil, inadequacies of rural infrastructure like road, transport, electricity, marketing infrastructure, storage facilities and other post-harvest facilities.

(d) At present, there is no statutory provision to form land holding companies in the country;

Futures trading

1043. SHRI SITARAM YECHURY: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether it is a fact that the Kabra Committee suggested that the futures trading should be restricted only to 17 commodities;
- (b) if so, the details of those commodities alongwith the rationale for that recommendation;
- (c) whether it is also a fact that at present 80 commodities are being allowed for future/derivative trading;
- (d) whether any Committee set up by Government recommended for strengthening of Forward Market Commission;
- (e) if so, the steps taken by Government thereon; and
- (f) if not, the reasons therefor?

THE MINISTER OF CONSUMER AFFAIRS FOOD AND PUBLIC DISTRIBUTION (SHRISHARAD PAWAR): (a) The Kabra Committee had recommended that futures trading be allowed in 17 additional commodities apart from the six commodities already permitted for futures trading at that time.

(b) The details of 17 commodities recommended by Kabra Committee for futures trading are as under:

- (i) Basmati Rice;
- (ii) Cotton;
- (iii) Kapas;
- (iv) Raw Jute and Jute goods;
- (v) Groundnut, its oil and oilcake;
- (vi) Rapeseed/Mustard, its oil and cake;
- (vii) Cotton seed, its oil and cake;
- (viii) Sesame seed, its oil and cake;
- (ix) Sunflower, its oil and oil cake;
- (x) Safflower, its oil and oil cake;
- (xi) Copra, Coconut oil and its oil cake;
- (xii) Soyabean, its oil and oil cake
- (xiii) Rice bran oil;
- (xiv) Castor oil and its oil cake;
- (xv) Linseed;
- (xvi) Silver and;
- (xvii) Onion.

The Committee had recommended to permit futures trade in these commodities after study in all the then relevant factors such as production, exports, fluctuation in prices, supply etc.

(c) At present, there are 103 commodities notified for commodity futures trading.

(d) and (e) Yes Sir. The Kabra Committee (1994) and the Inter-Ministerial Task Force on Convergence of Securities and Commodity Derivatives Markets (2003), set up by the Government, have recommended

strengthening of Forward Markets Commission (FMC). The recommendations have been suitably incorporated in the Forward Contracts (Regulation) Amendment Bill, 2006, which has been introduced in the Lok Sabha on 21.3.2006. The Bill has since been referred to Standing Committee on Food, Consumer Affairs and Public Distribution. The Bill, *inter-alia*, seeks to strengthen the Forward Markets Commission (FMC) to regulate and develop the commodity futures market more effectively by: (i) increasing the number of Members of FMC from four to nine with up to three whole-time Members and a Chairman; (ii) enhancing the powers of FMC; (iii) conferring power upon FMC to levy fees; (iv) providing for registration of intermediaries with FMC; (v) creating FMC General Fund to which all receivables will be credited; (vi) conferring power upon FMC to recruit its officers and employees; and (vii) permitting tracing in option in goods.

(0 Does not arise.

Relaxation in ISOPOM

1044. SHRI HARISH RAWAT
SHRISANTOSH BAGRODIA:

Will the Minister of AGRICULTURE be pleased to state:

(a) whether Government are planning to give relaxation in the implementation of Centrally Sponsored Scheme-ISOPOM and Macro-Management-Work Plan; and

(b) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA): (a) and (b) There is no proposal before the Union Government to make changes in the existing provisions of Integrated Scheme of Oilseeds, Pulses, Oil Palm and Maize (ISOPOM) and Macro Management Work Plan.

(c) Both ISOPOM and Macro Management Work Plan provide flexibility to the States in the implementation of components/crops of their choice according to their priorities within the allocation.